

HONOLULU AD CLUB HEARS EXPERT TALK ON WORKINGS OF PARCELS POST IN HAWAII; URGES DELEGATE TO OPPOSE CHANGE IN ZONE PLAN

Elmer M. Cheatham Gives Interesting Pointers on How System Will Operate

That the federal parcels post system will prove a benefit to the business of Hawaii, that Hawaii should take a determined stand against the repeal of the plan or its weakening through a repeal of the "zone" provision, was the contention made emphatically today by Elmer M. Cheatham of B. F. Ehlers & Co. before the Honolulu Ad club at the weekly luncheon.

Backing up his arguments with facts and figures and a carefully-prepared map showing pictorially how the system will work in Hawaii, Mr. Cheatham declared that it will stimulate business here and should be given support by Hawaii's delegate to Congress.

As a result of his talk the following resolutions were introduced and unanimously adopted:

"Whereas, we, the members of the Honolulu Ad Club, believe that the parcels post act as passed by Congress at its last session, particularly that part of said act which creates distance zones with varying rates of postage, is a beneficial and wise piece of legislation, and

"Whereas, we are reliably informed that an effort will be made at the coming session of Congress to repeal this act, or that part of it relating to zones, and

"Whereas, we deem it best for the interests of all residents of the city of Honolulu and the Territory of Hawaii that this act be passed by a fair and thorough trial,

"Therefore, Be It Resolved, that our delegate to Congress, Hon. J. K. Kalaupapa, be, and is hereby asked, to oppose any repeal or amendment of this act at this time, and

"Be It Further Resolved, that the Honolulu Merchants' Association and the Honolulu Chamber of Commerce, be, and hereby are urged to take similar action by resolution or otherwise as they may see fit, and

"Be It Further Resolved, that copies of this resolution be forwarded to the Hon. J. K. Kalaupapa, the President of the Honolulu Merchants' Association, the President of the Honolulu Chamber of Commerce, the Hon. Jonathan Bourne, Senator, and the Postmaster General of the United States."

Discussing his subject Mr. Cheatham said:

The parcels post act, as passed by Congress, was approved by President Taft, August 24th last, as part of the Appropriation Bill of the Post Office Department for the fiscal year ending June 30th, 1913. Its provisions take effect January 1st, 1913, less than seven months from date.

Senator Bourne of Oregon, its author and the man who successfully brought it through Congress, made a very thorough study of similar systems in vogue throughout the world and held many meetings in all parts of the United States at which representatives of every interest affected were given ample opportunity

to present their views. The four assistant Postmasters-General assigned in many ways especially in ascertaining and supplying information of probable operation problems and costs.

Quoting from Senator Bourne's excellent article in the Saturday Evening Post of October 5th, he says "in the course of my investigation and study, which extended over many months, I learned that there were many intricate and difficult problems involved in the determination of the specific provision of a parcels-post law. However, I believe that we have solved all those problems and have drafted and enacted a parcels-post law that is open to as few objections as any bill that can be drawn, and that will, when in operation, give a much needed service at rates greatly lower than those that are now charged."

And again in the same article, "Months of studying this general question has convinced me that scientific accuracy would necessarily be required at the sacrifice of simplicity and convenience."

Objection To Other Bills.

The great sacrifice to all former parcels-post bills was that one and all provided for a flat rate system similar to that now in existence, except at lower rates and permitting larger packages. Under such a system, a mail order house in Chicago would be able to deliver a package to any post office on the island just as cheaply as could a Honolulu firm. You can readily see why local dealers all over the States have fought year after year the enactment of such bills containing flat rate provisions.

The Government has never been keen, either, for such a system, for the reason that the rates would necessarily be too high for the short hauls in order to equalize the high cost of the extra long ones. The express companies would cut under the Government rates on the short hauls, get most of the business at a fair profit and leave the long hauls to the Government to handle at a loss. Of course, the Government could get around this by declaring a monopoly of such business and legislating the express companies out of existence, a plan which would take years of litigation and result in the expenditure of millions of dollars in condemnation proceedings.

If the new parcels-post law cannot be made effective and generally satisfactory when perfected by such changes as may be found desirable from time to time, and in conjunction with the failure, the Interstate Commerce Commission finds itself unable to control the rates of existing express companies, then Government ownership of these companies will be necessary and will be quickly brought about.

Practically all the serious opposition to the parcels post expressed by those who attended the various sessions of the committee having the matter in charge was based on the assumption that if a parcels post law was enacted, it would be on a flat rate basis. From which their supporters easily saw that some better scheme would have to be evolved on their efforts would be unsuccessful. Sena-

tor Bourne first thought that the problem could be solved by taking each postoffice as a center and drawing circles around it with different radii according to the zone distance desired. He quickly gave up this idea when he found that trying to place the 60,000 postoffices of the United States with their circles on a map ten feet square was like trying to print the Lord's Prayer on the head of a pin.

Next Plan Considered.

The next plan considered was to make each state a unit, but this was found to be unsatisfactory on account of the great differences in sizes and in numbers of population; grouping several small states to form units equal to the larger states was also found impractical; a plan of adopting each county as a unit was also rejected owing to their varying sizes and further that boundary changes were more or less common.

The next thought was to adopt a unit consisting of the quadrangles formed by the meridians of longitude and the parallels of latitude, having an average width of 55 miles east and west and length of 70 miles throughout the mainland of the United States; here in Hawaii, these quadrangles are nearly square, as we lie so near the equator. The only difficulty that arose against the adoption of this unit was the fact that the lowest rate would have to apply between any two offices in one of these units, tho they could be situated in diagonal corners some eighty miles apart, while the next higher rate would have to apply between an office near the boundary of one of these units and an office just across the line in another unit, tho this distance might be only five miles.

How Difficulty Was Solved.

It remained for a Mr. J. H. Robinson, an employe of the bureau of the Fourth Asst. Postmaster General, to solve this difficulty. He divided each of these degree quadrangles into four parts or units, each of one-half degree or thirty minutes length and width and advanced the plan of permitting every postoffice in any one of these units to send parcels mail at the same rate to all the other postoffices in its own unit and in all the other units immediately surrounding it. These nine units form a quadrangle of one and one-half degrees of longitude east and west and one and one-half degrees of latitude north and south, which becomes the first zone, having an average width of 164 miles, an area having a mean distance of approximately fifty miles. This unit system did away with the most important objection to the passage of the bill and it had easier sailing from that time on.

The Postoffice Department has been busy since the passage of the bill preparing maps or charts of the entire United States showing these units or half-degree quadrangles, of which there are about 3500; each of these units have been given an index number, and all postoffices located in any one unit will have the same number and the same zone arrangement. Concentric circles will be drawn on these maps of 100, 200, 300, 400, 500 and 1000 miles radii, using the center of

the circles, these circles describing the second, fourth, fifth, sixth and seventh zones respectively, the eighth zone being all beyond the 1000 mile circle. Thus, you will see, there will be some 3500 maps of the United States, each the same as far as the squares and their numbering are concerned, but different as to the location of the zone circles. Each postoffice will require but one particular map of the series, that map being one in which the center of its unit has been used in describing the zone circles. All postoffices in any one unit, in the more settled areas of the East there may be perhaps fifty located in one unit—will use identical maps, for their zones are identical.

Directories are being published, giving the states in their alphabetical order and under each state the names of all postoffices therein, with their index numbers, that is to say, after each postoffice will appear the number of the unit or quadrangle in which it is located. These directories will be identical in every office.

New System Works.

This is the way the system will work: A citizen enters the postoffice at Des Moines, Iowa, whose unit we will say is numbered 614; he has a package addressed to Galveston, Texas, and desires to know the amount of postage required. The clerk turns in his directory to Texas and finds Galveston and notes the number printed after, which we will say is 950; he then scans his map, the map which has been prepared for use in the Des Moines office, and finds the unit numbered 950; he quickly notes the circle which comes next outside unit 950, or which touches unit 950, which in this case, we will say is the 1400-mile circle. This places Galveston within the sixth zone distant from Des Moines; determination of the correct postage is then a matter of a moment. This operation will take considerably less than the time it has taken me to describe it, and will be no longer, perhaps less, than is required by the average express agent to determine an express rate to any given point.

The last mail brought a copy of a very recent bulletin of the postoffice department stating that these maps and directories are nearing completion; it also contained a ruling of the postmaster general that all fourth-class matter mailed after the inauguration of the parcels post must bear distinctive stamps, and that all such matter mailed with the usual letter stamps affixed would be considered as held for postage and would not be forwarded to destination.

Passing over the various means and methods of computation by which the rates were finally arrived at, I will give you a table of the rates themselves:

Distances—	1st lb.	Each lb. additional	Maximum of 11 lbs.
Local	\$.05	\$.01	\$.15
1st zone, approximately 50-m. radius	.05	.03	.35
2d zone, approximately 150-m. radius	.06	.04	.46
3d zone, approximately 300-m. radius	.07	.05	.57
4th zone, approximately 600-m. radius	.08	.06	.68
5th zone, approximately 1000-m. radius	.09	.07	.79
6th zone, approximately 1400-m. radius	.10	.08	.90
7th zone, approximately 1800-m. radius	.11	.10	1.11
8th zone, over 1800 miles	.12	.12	1.32

These rates, although not so low (last)—and the present express rates, as Senator Bourne advocated, owing to amendments and compromises in committee, are a great deal lower than the prevailing fourth-class rate of 16 cents per pound and, on an average, materially lower than prevailing express rates; they are especially low for the small-sized packages and the short hauls, a fact that local retailers will be quick to appreciate.

For the benefit of the merchants and others who are setting packages at present from San Francisco and New York by express, I present a comparative table of the parcels post rates from these points to Honolulu—they are the same from both places, as both are more than 1800 miles distant:

Distance—	1st lb.	Each lb. additional	Maximum of 11 lbs.
Local	\$.05	\$.01	\$.15
1st zone, approximately 50-m. radius	.05	.03	.35
2d zone, approximately 150-m. radius	.06	.04	.46
3d zone, approximately 300-m. radius	.07	.05	.57
4th zone, approximately 600-m. radius	.08	.06	.68
5th zone, approximately 1000-m. radius	.09	.07	.79
6th zone, approximately 1400-m. radius	.10	.08	.90
7th zone, approximately 1800-m. radius	.11	.10	1.11
8th zone, over 1800 miles	.12	.12	1.32

By this table it will be seen that the parcels post rates on all packages up to six pounds weight from San Francisco and on all packages up to the limit of eleven pounds from New York will be lower than the express rate. The San Francisco express rates quoted allow a valuation up to \$100 only; slight extra charges are made for higher valuations. The postmaster general has not yet fixed the details of valuation limit or of cost of insurance of packages mailed under the parcels post provisions; he must provide for these, also, must work out a C. O. D. system, by which either the carriage charges of a package, or its value, or both, may be collected at the delivering office and returned to the sender.

The following table shows the difference between present rates of fourth-class matter and the new parcels post rates; for purposes of comparison, I will give the rates for a 4-pound package, which is the limit at present:

Distance—	4 lbs. present rate	4 lbs. new rate	Per cent of reduction.
Local	20c	15c	25
1st zone	64c	40c	38
2nd zone	68c	46c	32
3rd zone	72c	52c	28
4th zone	76c	58c	24
5th zone	80c	64c	20
6th zone	84c	70c	17
7th zone	88c	76c	14
8th zone	92c	82c	11

From this you will see that the reduction from the present fourth-class rates varies from 25 to 38 per cent, or an average of 26 per cent; at the same time the weight limit has been raised from four to eleven pounds.

To show the exact rates from Honolulu to the various island offices I have prepared a map or chart with the unit of Honolulu as the center; other offices to which it is applicable are Heala, Waipahoehoe, Waikane, Aiea, Waiwae, Waimanalo, Pearl City. As these six offices are in the same unit as Honolulu, they will use identical maps; Waipahoehoe, just across the 180th meridian, together with Ewa Mill, Waiwae, and Scheraga Barracks, will have identical maps, slightly differing from that of Honolulu; Waiwae, Waimanalo, Heala, Waiwae, Waimanalo are still another unit and have a different map; Kahuku, Lala, Hanalei, Palakou and Kahana form the fourth and last group of this island.

Operation Of System Here.

Before discussing the rates of 110 units, I want to call attention to the local rates, rates for packages either mailed at the Postoffice or given a letter carrier and addressed for delivery elsewhere in the limits of the Honolulu office. There rates are 5 cents for the first pound and 1 cent for each additional pound, a 4-pound package would require 17 cents for postage. If the parcel is addressed to the Honolulu office, it will require 12 cents and a saving of 5 cents will be made by the postmaster.

New turn to the map and you will see that Honolulu is located in the unit numbered 614, which is the same unit as that of the map of the United States, all parcels sent from

you will see, this unit is the same as that of the map of the United States, all parcels sent from you will see, this unit is the same as that of the map of the United States, all parcels sent from

you will see, this unit is the same as that of the map of the United States, all parcels sent from you will see, this unit is the same as that of the map of the United States, all parcels sent from

you will see, this unit is the same as that of the map of the United States, all parcels sent from you will see, this unit is the same as that of the map of the United States, all parcels sent from

you will see, this unit is the same as that of the map of the United States, all parcels sent from you will see, this unit is the same as that of the map of the United States, all parcels sent from

you will see, this unit is the same as that of the map of the United States, all parcels sent from you will see, this unit is the same as that of the map of the United States, all parcels sent from

you will see, this unit is the same as that of the map of the United States, all parcels sent from you will see, this unit is the same as that of the map of the United States, all parcels sent from

you will see, this unit is the same as that of the map of the United States, all parcels sent from you will see, this unit is the same as that of the map of the United States, all parcels sent from

JUST LANDED

We are just placing in our cases the finest line of

Panama Hats

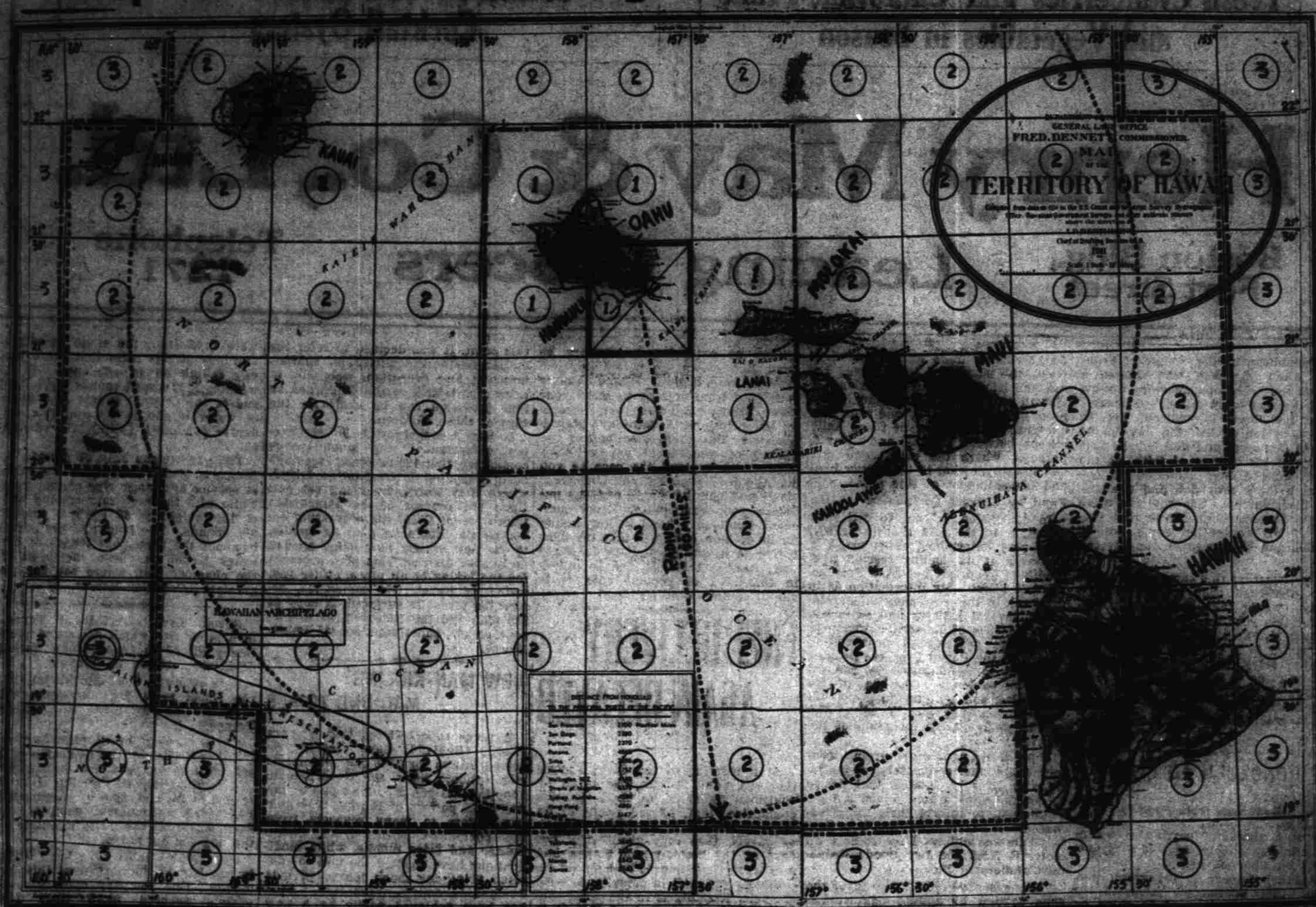
we have ever carried.

These were personally selected by Mr. A. I. Silva during his visit to the South. They reached Honolulu Saturday last.

M. M'INERNY, Ltd.

PORT and MERCHANT STREETS

Map Of Hawaii Showing How Parcels Post Works



Map showing how parcels post plan will work in Hawaii. Territory is divided into units within certain zones. All units inside the first zone will be served by parcels post at the rate of five cents for the first pound or fraction, and three cents for each additional pound. Units in the second zone, marked "2," are served for six cents for the first pound and four cents for each additional pound. The third zone, the units of which lie entirely outside the big circle, is served for seven cents and five cents. The detailed workings of the proposed system were explained in a talk made today before the Honolulu Ad. Club by E. M. Cheatham of B. F. Ehlers & Co.